

**MINUTES OF THE REGULAR MEETING OF THE
CITY COUNCIL/REDEVELOPMENT SUCCESSOR AGENCY
OF THE CITY OF SOUTH PASADENA
CONVENED THIS 5TH DAY OF SEPTEMBER, 2012 7:29 P.M.
AMEDEE O. "DICK" RICHARDS, JR., COUNCIL CHAMBERS
1424 MISSION STREET**

**ROLL CALL, INVOCATION,
PLEDGE OF ALLEGIANCE**

Mayor Cacciotti convened the open session of the regular meeting of the South Pasadena City Council/Redevelopment Successor Agency (Agency) at 7:29 p.m. City Clerk/Agency Secretary Kilby called the roll. City Councilmembers/Agency Members present: Khubesrian and Schneider; Mayor Pro Tem/Agency Vice Chair Putnam; and Mayor/Agency Chair Cacciotti. Absent: Councilmember/Agency Member Joe. Other officials present: City Manager/Agency Executive Director Gonzalez; Assistant City Manager Straus; City Attorney/Agency Counsel Adams; Police Chief Payne; Fire Chief Wallace; Finance Director Thai; City Librarian Fjeldsted; Deputy Public Works Director Furukawa; Community Services Director Pautsch; Planning and Building Director Watkins; Transportation Manager Woods; Human Resources Manager Ko; and City Clerk/Agency Secretary Kilby.

Mayor Cacciotti offered the invocation and four Associated Student Body (ASB) Officers from South Pasadena Middle School led the Pledge of Allegiance. As requested by Mayor Cacciotti, the students introduced themselves.

**PRESENTATION OF A
PROCLAMATION DECLAR-
ING SEPTEMBER 19, 2012,
AS "IT CAN WAIT—NO
TEXTING WHILE DRIVING
PLEDGE DAY"**

Mayor Cacciotti presented a proclamation declaring September 19, 2012, as "It Can Wait—No Texting While Driving Pledge Day" to Dana Cop, Director, External Affairs, AT&T. She made remarks.

**CLOSED SESSION
ANNOUNCEMENTS**

City Attorney Adams said that at approximately 6:00 p.m., Mayor Cacciotti called to order the regular meeting of the City Council and the Redevelopment Successor Agency of the City of South Pasadena. He reported that there was no one who wanted to speak on items on the Closed Session agenda. He said Mayor Cacciotti recessed the City Council meeting into Closed Session to address the items on the agenda. He said that the City Council met on labor

negotiations, allowed into Closed Session pursuant to Government Code Section 54957.6, negotiations regarding all of the bargaining units of the City with the exception of the Fire Department Battalion Chiefs' Association. He said the City negotiators were City Manager Sergio Gonzalez and Legal Counsel Richard Kreisler. He said the City negotiators provided the City Council (Council) with an update with regard to negotiations, and that the Council gave the negotiators direction. However, he said, no final action was taken. He said the Council met in conference with legal counsel regarding anticipated litigation, allowed into Closed Session pursuant to Government Code Section 54956(c). He said he provided the Council with a briefing on this matter, and that he was given direction by the Council. However, he said, no final action was taken on this item.

EMPLOYEE HIGHLIGHTS

City Manager Gonzalez introduced newly appointed Assistant City Manager Hilary Straus and City Clerk Secretary Marc Donohue. Both new employees made remarks and responded to questions.

COUNCILMEMBERS' COMMENTS

Mayor Pro Tem Putnam made remarks about a restored City of Hanford theatre and said he hoped the newly appointed Assistant City Manager could help the City with the Rialto Theatre. He made remarks about the dangers of texting while driving. He said AT&T should do more to increase awareness of the dangers associated with texting. He announced an upcoming hazardous waste collection event.

Mayor Pro Tem Putnam reported that he has met with elected officials from other cities regarding the proposed SR-710 (710) freeway extension, which was authorized at the last meeting. He said the current elected officials are not necessarily the same as those in office when the cities first adopted a position on the proposed extension. He said he has found that many have open minds on the topic and that further discussion is necessary on how to support elected officials in their efforts to re-evaluate their official position.

Councilmember Schneider requested that City staff prepare a review of the City's hedge ordinance—so that it could be updated. He said details would be provided to staff about a complaint he received.

Mayor Cacciotti, who seconded the request, suggested that the issue first be reviewed by the Natural Resources and Environmental Commission. Councilmember Schneider agreed.

Councilmember Schneider said that although the City has been preoccupied with opposing the 710 north extension, there is an equally large project taking place along the southern 710 freeway. He requested that staff have a letter prepared, preferably by Special Counsel Doug Carstens, stating the City's position on the project. The southern 710 process is subject to an environmental analysis, he said, which may not be in compliance with the California Environmental Quality Act (CEQA). The law does not allow segmentation of projects, he said. He requested that the draft letter be returned to the Council for approval at the September 19, 2012, meeting. This was seconded by Mayor Pro Tem Putnam. City Manager Gonzalez responded to questions about the request.

Councilmember Schneider reported on his attendance at the August 28, 2012, Los Angeles City Council meeting, at which a resolution opposing all forms of the proposed SR-710 freeway extension passed unanimously. He said he testified on behalf of the City.

Councilmember Khubesrian reported on the recent Women in Business Awards luncheon, where two local business owners were recognized. She made remarks about community awareness of issues surrounding the proposed 710 freeway extension and the upcoming community forum to be held on September 26, 2012. She reported on her attendance at a recent Stakeholder Outreach Advisory Committee meeting at Metro.

Mayor Cacciotti reported on travels to cities with excellent mass transit systems—Portland, Seattle, and Vancouver. He announced the upcoming September 11th remembrance service; the AYSO opening day; and the September 16, 2012 Clean-Air Car Show and Green-Living Expo, Classic Car Show, and Public Safety Open House. He displayed a flyer on the overhead projector. He displayed large boards depicting energy-efficient prizes that will be raffled off.

**CITY MANAGER
COMMUNICATIONS**

City Manager Gonzalez announced recently completed audiovisual and electrical upgrades in the Council Chambers.

**REORDERING OF AND
ADDITIONS TO THE
AGENDA**

City Manager Gonzalez said that due to a CalPERS requirement, Item #9, ordinance authorizing an amendment to a contract between the City and CalPERS, should be removed from the Consent Calendar and considered as an Action Item. Mayor Cacciotti said without objection, Item #9 was removed from the Consent Calendar and would be considered as Action Item #14a.

Mayor Cacciotti requested to remove Item #10, award of a contract, John L. Hunter, from the Consent Calendar for separate consideration.

**APPROVAL OF THE
MINUTES OF THE
REGULAR MEETING OF
AUGUST 15, 2012, AND THE
SPECIAL MEETING OF
AUGUST 20, 2012**

By roll call vote (4 ayes; 1 absent, Councilmember Joe), the City Council approved the minutes of the regular meeting of August 15, 2012, and the special meeting of August 20, 2012.

(Putnam, Khubesrian)

**APPROVAL OF PREPAID
WARRANTS IN THE
AMOUNT OF \$483,311.14,
GENERAL CITY
WARRANTS IN THE
AMOUNT OF \$972,503.74
AND PAYROLL IN THE
AMOUNT OF \$816,117.05.**

By roll call vote (4 ayes; 1 absent, Councilmember Joe), the City Council approved Prepaid Warrants #174469-174556; General City Warrants #174557-174757; and payrolls 08-17-12 and 08-31-12; for a total of \$2,271,931.93. Sitting as the Successor Agency to the Community Redevelopment Agency, the City Council approved warrants of \$14,113.68, an amount included in the above total.

(Putnam, Khubesrian)

**AWARD OF CONTRACT TO
ARC CONSTRUCTION IN
THE AMOUNT OF \$89,300
FOR CONSTRUCTION OF
THE RAYMOND LANE
ALLEY IMPROVEMENT
PROJECT**

By roll call vote (4 ayes; 1 absent, Councilmember Joe), the City Council accepted a proposal dated July 31, 2012, from ARC Construction for the construction of the Raymond Lane Alley Improvement Project; rejected all other bids received; and authorized the City Manager to enter into a contract with ARC Construction for a not-to-exceed amount of \$89,300.

(Putnam, Khubesrian)

**AWARD OF CONTRACT TO
TORO ENTERPRISES, INC.
IN THE AMOUNT OF
\$186,000 FOR THE
MARMION WAY STREET
IMPROVEMENT PROJECT**

By roll call vote (4 ayes; 1 absent, Councilmember Joe), the City Council accepted a proposal dated August 14, 2012, from Toro Enterprises, Inc. for the construction of the Marmion Way Street Improvement Project; rejected all other bids received; authorized a budget transfer of anticipated surplus funds in the amount of \$53,820 from Raymond Lane Alley Improvement Project account 101-9000-9381 to Marmion Way Improvement Project Account 101-9000-9382 to fully fund this project; and authorized the City Manager to enter into a contract with Toro Enterprises, Inc. for a not-to-exceed amount of \$186,000 for construction services.

(Putnam, Khubesrian)

**AWARD OF CONTRACT IN
THE AMOUNT OF \$29,700
TO GK & ASSOCIATES FOR
CONSTRUCTION
MANAGEMENT AND
INSPECTION SERVICES
FOR RAYMOND ALLEY
STREET IMPROVEMENT
PROJECT AND MARMION
WAY STREET
IMPROVEMENT PROJECT**

By roll call vote (4 ayes; 1 absent, Councilmember Joe), the City Council accepted a proposal dated August 23, 2012, for GK & Associates for construction management and inspection services for Raymond Alley Improvement Project and Marmion Way Street Improvement Project; rejected all other proposals received; and authorized the City Manager to execute an agreement with GK & Associates for a not-to-exceed amount of \$29,700.

(Putnam, Khubesrian)

**AWARD OF CONTRACT TO
E&R CONSTRUCTION, INC.
IN THE AMOUNT OF
\$245,100 FOR THE
HAWTHORNE WATER
REPAIR PROJECT**

By roll call vote (4 ayes; 1 absent, Councilmember Joe), the City Council accepted a proposal dated August 7, 2012, from E&R Construction Inc., for the construction of the Hawthorne Street Water Repair Project; rejected all other bids received; and authorized the City Manager to enter into a contract with E&R Construction Inc. for a not-to-exceed of \$245,100 for construction, services.

(Putnam, Khubesrian)

**AWARD OF A THREE-
YEAR CONTRACT TO
JOHN L. HUNTER &
ASSOCIATES FOR NPDES
CONSULTING SERVICES**

Mayor Cacciotti requested to limit the proposed contract with John L. Hunter & Associates for National Pollution Discharge Elimination System (NPDES) consulting services to one year.

Deputy Public Works Director Furukawa responded to questions. City Attorney Adams said if the one-year limit is agreeable to the company, the modifica-

tion can be made.

By roll call vote (4 ayes; 1 absent, Councilmember Joe), the City Council approved the proposed contract with John L. Hunter & Associates for annual (NPDES) consulting services in substantially the form submitted, with the revision that the contract extend for one year instead of three years.

(Khubesrian, Schneider)

It was understood that the City Council accepted a proposal dated July 13, 2012, from John L. Hunter & Associates for consulting services, that all other proposals were rejected, and that the City Manager was authorized to execute the agreement, with a not-to-exceed amount of \$44,126 for Fiscal Year 2012-13.

PUBLIC COMMENT
Excess water bill

Marina Kieser, 630 Stratford Avenue, expressed concern about a utility bill received in the amount of \$1,400 for May-June 2012. She said the bill is usually around \$200. She said she was told that there was a leak, and that three plumbers investigated the problem. A new meter was installed, and the leak was corrected. She provided additional details about her research into the origin of the problem. She requested a \$1,000 rebate. City Manager Gonzalez said the matter would be referred to the Finance Director and Public Works Director to find a solution. Mayor Cacciotti requested that an appeal process be established, and City Manager Gonzalez said that there is a process within City departments. Finance Director Thai responded to a question about the process of investigating this type of complaint. Mayor Cacciotti requested that a report on this case be provided to the Council within a month.

Proposed building project

Scott Margrave, 928 Buena Vista Street, who said he is speaking on behalf of his father, David Margrave, said he wanted to provide information about a proposed building project. He requested that a model of the proposed project, which he placed in front of the dais, be presented to the Council. He distributed a copy of the South Pasadena Municipal Code, Section 36.220.050: Development of Small Nonconforming Residential Parcels. He responded to a question from Mayor Cacciotti about the status of the project.

City Attorney Adams provided legal advice, stating that the Planning and Building Director has issued an interpretation with regard to the application of the law to this project. He said that Mr. David Margrave disagreed with the interpretation, and that he has exercised his right to appeal this decision to the Planning Commission. Upon the decision of the Planning Commission, the matter could then be appealed to the City Council, City Attorney Adams said, and because of that possibility, it would be inappropriate for the City Council to receive a presentation on the project at this time. He reaffirmed that the applicant could appeal any Planning Commission decision to the City Council. He recommended that the applicant pursue the project through the appropriate process. He said the presentation could be made to the Planning Commission at the hearing. The speaker accepted this recommendation.

**SECOND READING AND
ADOPTION OF
ORDINANCE NO. 2235
AUTHORIZING AN
AMENDMENT TO THE
CONTRACT BETWEEN
THE CITY AND THE
CALIFORNIA PUBLIC
EMPLOYEES'
RETIREMENT SYSTEM
(CALPERS) TO ALLOW
THE CITY TO OFFER TWO
YEARS ADDITIONAL
SERVICE CREDIT TO
ELIGIBLE AND
DESIGNATED EMPLOYEES**

City Manager Gonzalez said that due to CalPERS requirements, the item must be considered as an Action Item, and thus the item was removed from the Consent Calendar earlier and considered as Action Item #14a. He provided background on the ordinance.

Diana Mahmud, 1602 Camden Parkway, said that it is premature to determine that cost savings will be effectuated as contemplated. If the water budget rate design is adopted, she said, staff will be needed. She said it is speculative to conclude that the City will realize \$100,000 in savings. She said other CalPERS agencies are not providing additional incentives. She urged the City Council to reconsider the plan and reassign the employee being offered additional service credit.

City Manager Gonzalez and Finance Director Thai responded, stating that the retirement is tied to the outsourcing of utility billing; that this is a common practice; that an agreement has already been signed; that the City is on a tight timeline; that this must be approved by the City Council; that savings will be seen; and that a different skill set will be required for implementing the water budget model. In regard to a question on staffing costs related to the water budget model, Finance Director Thai and City Manager Gonzalez responded that most of the cost will be

incurred in system set up. Additional staffing will not be required for ongoing tasks, City Manager Gonzalez said. In response to a question about offering additional service credit to other employees, City Manager Gonzalez said that the City Council must approve each request at an open City Council meeting, and that the offer must be based on a viable business reason. Finance Director Thai said the offer would have to be made to all employees in that classification, and that the position must then be frozen. He said that if additional staffing is needed, this request would be made during the budget adoption process. Temporary contracting would be an option if the need arises before the budget adoption process begins, he said. City Attorney Adams added that this was part of a meet-and-confer process, and that this item is in compliance with CalPERS regulations. City Manager Gonzalez said if the water budget model is adopted, sufficient customer service staff is currently available. He said the individual hired for water conservation will play a role in water billing.

Mayor Cacciotti asked how the Finance Department will handle requests once the subject position is eliminated. Finance Director Thai said customers will continue to speak with City staff, which will have access to the water billing system. If the customer calls Global Water, the representative will handle the issue the same way, he said. There will be additional access for customers, he said. He responded to questions about Finance Department staffing and water billing staff reconfiguration.

By roll call vote (4 ayes; 1 absent, Councilmember Joe), the City Council read by title only for second reading, waiving further reading, and adopted Ordinance No. 2235, AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SOUTH PASADENA, CALIFORNIA, AUTHORIZING AN AMENDMENT TO THE CONTRACT BETWEEN THE CITY COUNCIL OF THE CITY OF SOUTH PASADENA AND THE BOARD OF ADMINISTRATION OF THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM; and approved and authorized the City Clerk to sign the Certification of Final Action of the Government Body (City Council).

(Putnam, Khubesrian)

**STRUCTURE OF THE
PROPOSED PUBLIC
WORKS COMMISSION**

Deputy Public Works Director Furukawa presented the staff report on the structure of the proposed Public Works Commission. He responded to questions.

Gretchen Robinette, 921 Indiana Avenue, who said she represents Women Involved in South Pasadena Political Action (WISPPA), said the group supports establishing a Public Works Commission comprised of seven members, limited to individuals with current or prior professional experience in the fields of architecture, landscape architecture, civil, mechanical, or structural engineering, or construction contracting, management, or law. She said WISPPA also recommends monthly meetings; the exclusion of traffic-control devices or traffic-signal maintenance from the Commission's scope; expanding duties to include review of City Public Works procurement, design, and construction policies and practices; and review of boiler-plate documents within standard City Public Works documentation consistent with Councilmember Khubesrian's proposal. The group suggests consideration of review of Public Works projects with a value of \$100,000-\$250,000. The groups questioned what costs the financial threshold includes, she said.

Questions and discussion followed. Mayor Pro Tem Putnam disagreed with some of the suggested oversight areas, stating that legal and code requirements would make certain responsibilities impossible. He expressed concern about accepting advice from a Commissioner who could not be held accountable. He said that five members on the Commission would be sufficient. He said one licensed registered civil engineer should be on the Commission, one from traffic engineering or architecture, and one from the construction trades. Councilmember Khubesrian agreed that it would be advisable to start with five members who meet on a monthly basis.

In regard to the need for monthly meetings, Deputy Public Works Director Furukawa said that after the City Council approves capital projects at the beginning of the fiscal year, projects are not ready for

review for a few months. At the end of the fiscal year, more Commission meetings may be needed. In regard to the financial threshold of projects that would be reviewed by the Commission, he said that the total project budget, as approved by the City Council, should be considered. Some projects with a smaller total cost may be more impactful to the public than higher-cost projects, he said, so additional factors should be considered other than the total cost. City Attorney Adams suggested that projects reaching a set financial amount could automatically be referred to the Commission, and that other lower-cost projects could be referred. Mayor Cacciotti suggested that the Public Works Department could submit an inventory of all approved capital improvement projects for the Commission to review. City Manager Gonzalez said staff envisioned the Commission being involved with the proposed projects and priorities prior to approval by the City Council. Once the year's Capital Improvement Program (CIP) was in place, he said, the commission would become involved with implementation and public outreach. No objections were voiced.

By roll call vote (4 ayes; 1 absent, Councilmember Joe), the City Council directed staff to prepare an ordinance to establish a City Public Works Commission in accordance with the following structure and duties:

Members and Appointments

- a. The Commission shall consist of five members who are residents of South Pasadena, and who shall not be officers or employees of the City. No member of the Commission may have any interest in any contract with the City either during such member's term of office or for a period of one year after the cessation of such service;
- b. The initial composition of the Commission will consist of one member appointed by each Councilmember and their term length will coincide with the term length of the appointing Councilmember. Future appointments and reappointments will be made by the Mayor with the concurrence of the Council as it is for all City Commissions.
- c. The Chairperson of the Commission shall be selected by the members of the Commission.

d. The Commission will hold regular meetings monthly, as necessary. The Chair may call for a special meeting if needed with concurrence of the Commission.

e. All meetings will be open to the public and shall be subject to the Brown Act.

f. The City Council will appoint a Councilmember to serve as Liaison to the Commission.

g. The City will make a concerted effort to recruit at least one licensed registered civil engineer to the Commission and professionals from a variety of other professions, e.g., architecture; landscape architecture; mechanical, structural or traffic engineering; or construction contracting, management, or law.

Duties

a. To advise the City Council on the Public Works programs that the City Council should adopt in order to provide for the continued Public Works maintenance requirements for the City, which include providing for roads, parks, parkways, planted medians, and other public infrastructure obligations of the City.

b. To review and recommend to the City Council all capital improvement projects that exceed a total project cost of \$250,000, or that are selected by the Commission from a list of capital improvement projects to be proposed to the City Council for inclusion in an upcoming fiscal year's Capital Improvement Program.

c. To receive regular reports of active capital improvement projects.

d. To provide annual review and comment on Public Works capital improvement programs and long-term infrastructure maintenance and repair programs.

e. To develop programs and/or recommendations to the City Council on the most efficient and cost-effective methods of providing for the Public Works needs and requirements of the City.

Limitations

a. Unless expressly authorized to do so by the City Council, the Commission shall not represent itself to be, nor in any way act on behalf of the City Council, nor shall it commit the officers, employees, or staff of the City in any manner or to any course of action; to the contrary, it shall act as a study center and clearinghouse for recommendations to the City Council.

- b. It shall not encroach upon any area preempted by State or Federal law.
- c. It shall forward all of its findings and recommendations to the City Council prior to public release.
- d. The Commission will sunset six years after adoption of the ordinance forming it, unless otherwise extended by the City Council.

Records of Commission

Accurate and permanent records of the acts of the Commission shall be kept in summary format, and such records shall have the same status of other departments of the City.

(Khubesrian, Putnam)

**PROVIDE DIRECTION
REGARDING THE CITY'S
POSITION ON FIVE
RESOLUTIONS BEING
CONSIDERED AT THE
LEAGUE OF CALIFORNIA
CITIES' ANNUAL
BUSINESS MEETING ON
FRIDAY, SEPTEMBER 7,
2012, IN SAN DIEGO,
CALIFORNIA**

City Clerk Kilby presented the staff report on five resolutions being considered at the League of California Cities' annual business meeting on Friday, September 7, 2012, in San Diego, California.

Gretchen Robinette, 921 Indiana Avenue, expressed concern about the City of Needles' resolutions opposing the Desert Protection Act and the California Global Warming Solutions Act, Assembly Bill (A.B.) 32. She said a new national monument would be established with the Desert Protection Act, and the City of Needles has a great interest in developing solar power alternatives. She asked how good this resolution would be for the rest of the State. In regard to the City of Needles' resolution opposing A.B. 32, she said that this is against the best interests of the people of the State. She said she wished the issue of massage parlors would be raised at the League of California Cities.

Mayor Pro Tem Putnam suggested that Councilmember Khubesrian, who will be attending the League of California Cities' meeting as a voting delegate, be authorized to vote as she sees fit on the five resolutions.

Councilmember Schneider said he does not support the resolution to oppose the California Desert Protection Act, nor does he support the resolution requesting suspension of implementation or revision of A.B. 32. This was echoed by Mayor Cacciotti.

By roll call vote (4 ayes; 1 absent, Councilmember Joe), the City Council authorized Councilmember Khubesrian, League of California Cities' voting delegate, to vote as she sees fit on the five resolutions, both controversial and noncontroversial, at the League of California Cities' annual business meeting to be held on September 7, 2012.

(Putnam, Schneider)

**CONSIDERATION OF
ALTERNATIVE WATER
BUDGET RATE MODELS
FOR WATER SERVICES
EFFECTIVE JANUARY 2013**

Finance Director Chu Thai presented the staff report on consideration of alternative water budget rate models for water services effective January 2013. He said that Councilmember Schneider and Mayor Pro Tem Putnam have been working on the issue as part of an ad hoc City Council subcommittee. He said a representative from Global Water was available to answer questions. He introduced Tom Ash, Owner, Tom Ash & Associates, who made a presentation on the water rate structure analysis. He and Finance Director Thai responded to questions.

Kim Hughes, 1956 Huntington Drive, Natural Resources and Environmental Commission (NREC) Chair, expressed concern about the tight time frame. She said substantial education is needed on this model. Conservation needs to be encouraged, she said, and she questioned whether it is appropriate to permit a large lot a larger water allocation. She asked for a status report in hiring a water conservation analyst and adopting a conservation program. She asked about low-income customers. She responded to questions about a low-income subsidy programs.

Diana Mahmud, 1602 Camden Parkway, NREC Member, and former Water Council Chair, said two issues are being mixed: water budget rate and changing the allocation of fixed costs within the water rate design. She said \$100,000 of additional funding is anticipated to be needed for the water budget rate model along with continuing charges. She said it is not possible to meet the deadlines set by staff to implement the model. She said more time is needed due to the complexity of the issue. She raised the issue of fairness to commercial customers. She said the existing rate structure may be the only type of rate design that is determined to be consistent with

Proposition 218. She said increasing the allocation of fixed costs in meter charges dilutes the conservation price signal. She said Raftelis, City Consultant, recommends that revenue stability is achievable by collecting the unrecovered fixed costs. She said the Water Council recommended that if the City Council adopted a water budget rate, that it do so using the simplest possible rate due to administrative costs. She recommended that the matter be referred back to the NREC, that other local agencies using a water budget model be surveyed, and that the threat to revenue stability of downsizing meters be investigated.

Consultant Ash responded to questions about the water conservation fee and other questions. Councilmember Schneider suggested that the NREC review this issue at a special meeting and report back at the next City Council meeting. Mayor Pro Tem Putnam said the Finance Department should consider this. Mayor Cacciotti suggested that both groups review the issue. Finance Director Thai said that if the deadlines for the established timetable are not met, the proposed 18% rate increase must be increased. Finance Director Thai said that accurate data has just been verified and shared with the ad hoc Council subcommittee.

As requested by Mayor Cacciotti, speaker Mahmud made additional remarks. She said it was impossible to make a decision by October 3, 2012. More information is needed, she said, and community input must be obtained. Consultant Ash responded to questions raised by speaker Mahmud.

By consensus, on a suggestion made by Mayor Pro Tem Putnam, the City Council continued the discussion on alternative water budget rate models to the regular meeting of September 19, 2012, and directed the City Manager to schedule a special joint meeting of the (NREC) and the Finance Committee for both bodies to review the proposed water budget models and to provide recommendations to the City Council at the September 19, 2012, meeting.

**UPDATE REGARDING
STATUS OF SENATE BILL
204 (NO STAFF REPORT)**

City Manager Gonzalez provided an update on the status of Senate Bill 204 (S.B. 204). He said that the legislature passed the bill with the City's proposed

amendments and that the City is awaiting the Governor's signature. He said that 25% of the proceeds will be designated for sound walls for the 210 freeway adjacent to La Cañada Flintridge and Pasadena. He said upon adoption of the bill, the City will attempt to obtain funding for its transportation projects.

If there is a formal Bill signing, Mayor Cacciotti suggested that some City Councilmembers travel to Sacramento to participate. City Manager Gonzalez said he would contact Senator Carol Liu's office. Mayor Cacciotti said that City Consultant Mike Roos could coordinate the event. He said that the City should express its appreciation to Senator Liu. City Manager Gonzalez said he would contact the Senator's office to determine if something further needs to be done, for example, a letter from the City to encourage the Governor to sign the Bill. Mayor Cacciotti requested that Assemblymember Portantino's office also be contacted.

**RECEIVE AND FILE THE
FOURTH QUARTER
FINANCIAL REPORT FOR
THE ARROYO SECO GOLF
COURSE**

Due to the late hour, this item was postponed.

**A SUMMARY LIST OF
EXISTING CITY PROPERTY
LEASES AND PROFES-
SIONAL SERVICE AGREE-
MENTS AND CONTRACTS**

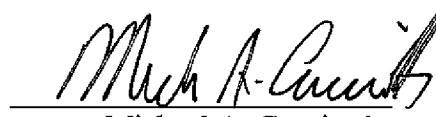
Due to the late hour, this item was postponed.

ADJOURNMENT

By consensus, the City Council adjourned at 10:47 p.m.

(Putnam, Khubesrian)


Sally Kilby
City Clerk


Michael A. Cacciotti
Mayor